

ZYDECO-1 WELL DESIGN FINALISED AS GALILEE ADVANCES TOWARD DRILL READINESS

Cost savings achieved as activity progresses toward a Q2 2026 spud

- Zydeco-1 well design and directional plan completed, supporting drill readiness
- Authorization for Expenditure (AFE) nearing completion with final service costs being secured
- Revised casing design delivers ~US\$100,000 in cost savings
- Engineering work materially de-risks well ahead of drilling
- US based Advisory Board comprised of experienced US oil and gas operators, technical experts and commercial advisors have been instrumental in getting Zydeco-1 to this advanced stage
- Zydeco-1 well was selected to provide exposure to both Gulf Coast Natural Gas and Condensate/Oil Pricing
- Well remains on track to spud in Q2 2026

Galilee Energy Limited (**Galilee or the Company**) (ASX: GLL) is pleased to provide an update on Zydeco-1, with key engineering milestones now completed as the Company advances toward drilling.

The finalisation of the well design and directional plan materially de-risks the well and establishes a clear pathway to execution ahead of spud.

Galilee Energy Managing Director Joseph Graham commented:

“This is a key step in progressing Zydeco-1 toward drilling and establishing Galilee’s first US production. The completion of the well design and drilling plan provides a clear and well-defined pathway to execution, while also materially de-risking the well ahead of spud.

Importantly, this work has been supported by our recently appointed US Advisory Board, whose technical and operational expertise is helping refine the well design, optimise costs and strengthen execution. This capability will not only support Zydeco-1, but will be critical as we look to build a broader portfolio of similar opportunities across the Gulf Coast.

With engineering now largely complete and the AFE nearing finalisation, we are moving into the final stages of preparation ahead of commencement of drilling.”

ENGINEERING & DESIGN PROGRESS

The Company has completed both the wellbore schematic and directional drilling plan for Zydeco-1, confirming the technical design and execution strategy for the well.

The well is planned to a total depth of approximately 9,750 feet, with key design elements now finalised across the target zones. The directional plan has been optimised to ensure accurate placement within the reservoir, supporting efficient drilling and maximising the likelihood of success.



Together, these deliverables represent a significant step in de-risking the well design and establishing a clear drilling program.

COST OPTIMISATION

A revised casing configuration has been implemented as part of the final engineering work, delivering an estimated ~US\$100,000 reduction in tubular costs, with additional savings expected through reduced mud volumes and cuttings disposal.

This reflects the Company’s focus on disciplined capital allocation as it advances toward drilling.

EXPOSURE TO US GULF COAST NATURAL GAS AND OIL PRICING BENCHMARKS

The Company has noted that hydrocarbons produced from the Project will be sold into established United States Gulf Coast markets for both natural gas and oil/condensate. Pricing for hydrocarbons produced from the Project is expected to reference widely recognized industry benchmarks with adjustments for location, quality and transportation.

Natural gas produced from the Project is expected to be sold referencing the Henry Hub natural gas benchmark, the principal pricing point for natural gas in the United States.

Condensate and Crude Oil production in the Gulf coast region is most commonly priced with reference to West Texas Intermediate (WTI) or Louisiana Light Sweet (LLS), which reflects the pricing of light crude streams delivered to Gulf Coast refineries and export markets.

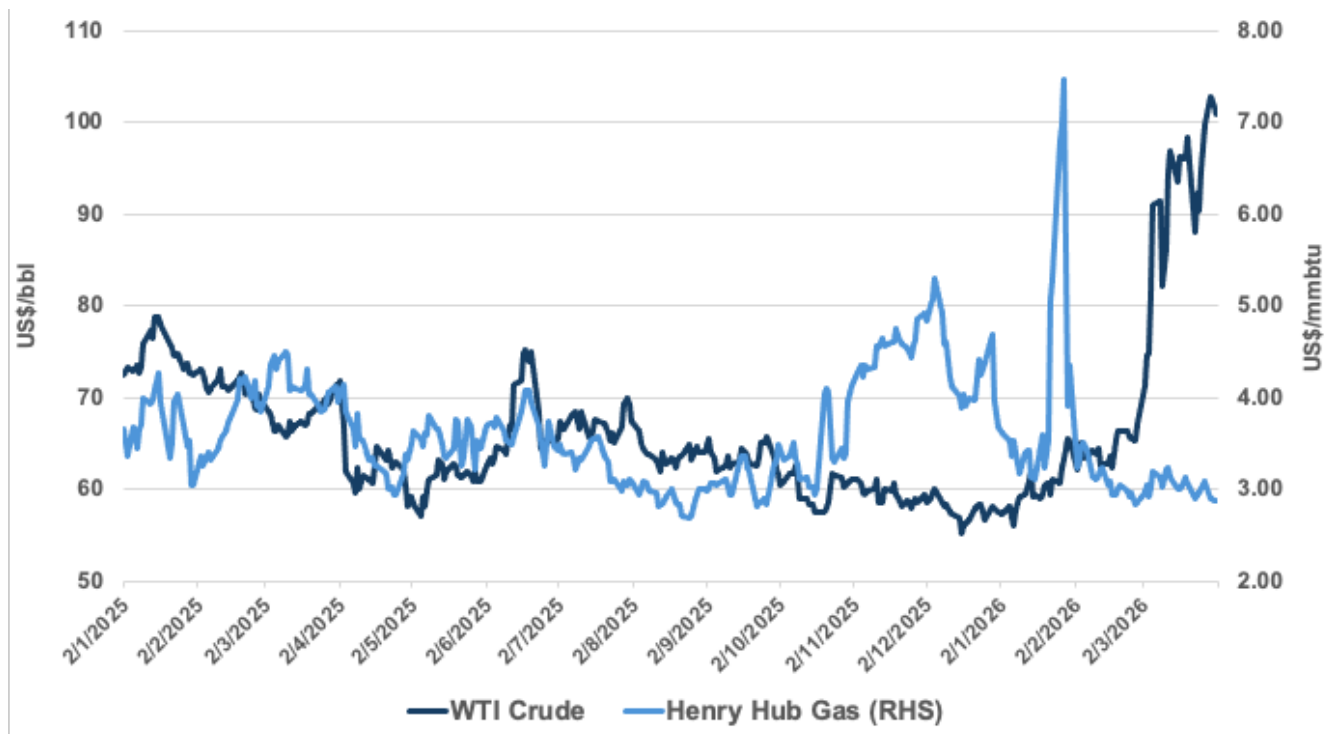


Figure 1: US Gulf Coast Crude and Natural Gas Benchmarks. Source: CME.

US ADVISORY BOARD EXECUTING COMPANY STRATEGY

Our US Advisory Board has already proven its value in progressing Zydeco-1 to this advanced stage, with spud scheduled for Q2 2026, only a matter of months post acquiring the asset. The Advisory Board which is comprised of experienced US oil and gas operators, technical experts and commercial advisors was created to support our strategy in building a US-focused, cash-flow driven oil and gas business.

The Advisory Board, which also has access to a suite of advanced US hydrocarbon opportunities, has guided asset selection, operational execution and our focus on capital efficiency. We look forward to working closely with this highly credentialed group of executives through drilling Zydeco-1 and pursuing further high impact new ventures in the months and years ahead. The Advisory Board initially consists of four members;

- ❖ Cleve Thomas, founder of Cleverhouse Energy Advisors, an independent US Oil & Gas advisory firm.
- ❖ Dan Bloomer, geologist and geophysicist with approximately 49 years of experience across multiple Gulf Coast basins.
- ❖ Guy Ellison, a Registered Professional Landman (RPL) with over 46 years of industry experience across Louisiana.
- ❖ Michael Privat, a Senior Oil and Gas Executive with over 30 years of experience in the oil & gas industry.

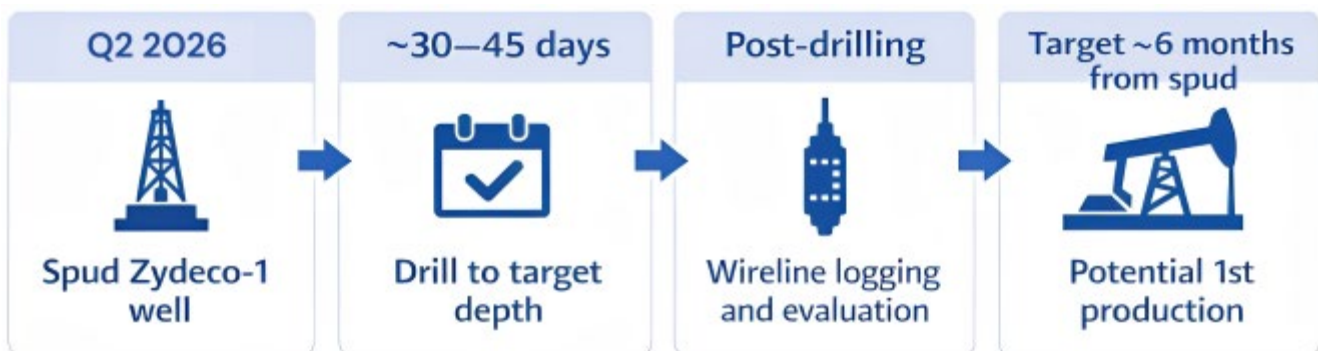
FOUNDATION ASSET: ZYDECO GAS PROJECT – OVERVIEW

- ❖ 325.3 acres of mineral leases in Acadia Parish, Louisiana
- ❖ Located within a proven Gulf Coast gas-condensate fairway
- ❖ Nearby producing fields including Indigo (2 km) and Frey (8 km)
- ❖ Short gas spur line to the Texas Gas Pipeline enabling rapid commercialisation
- ❖ Simple development facilities including condensate stripping, storage and truck loading

OPERATIONAL READINESS & NEXT STEPS

Zydeco-1 is designed as a multi-objective appraisal and production well capable of testing and, if successful, completing both Tweedel reservoirs and the Homeseeker B sand within a single borehole. The AFE is well advanced and expected to be finalised shortly, with final service quotes currently being secured. In parallel, the Company is progressing final operational preparations including rig inspection and confirmation of the drilling program. Zydeco-1 remains on track to spud in Q2 2026, subject to final regulatory approvals, and represents a key milestone in establishing initial production and advancing Galilee's US growth strategy.

FORWARD PLANS



This announcement was authorised for release by the Board of Directors.

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About Galilee Energy Limited

Galilee Energy is targeting to become a mid-tier US Oil & Gas producer, commencing with the development of the Zydeco Gas Project in Louisiana, USA. In Australia, the company is the 100% owner of one of the largest uncontracted natural gas resources on the east coast of Australia, located within the Glenaras Gas Project in Queensland's Galilee Basin.

Directors

Managing Director – Joseph Graham

Non-Executive Chairman – Eduardo Robaina

Non-Executive Director – Dale Hanna

Cautionary Statement: The estimated quantities of hydrocarbons that may potentially be recovered by the application of a future development project(s) relate to accumulations requiring further exploration, appraisal and evaluation. These estimates have both an associated risk from discovery and appraisal and a risk of development.

Competency Statements

The technical information in this document relating to resources is based on evaluation by Mr Stuart King, an external consultant and works for SK Exploration and Geoscience. Mr King is a Petroleum Geologist and has a Bachelor of Science in Geology and Geography (Hons) from the University of Western Australia and a Masters of Business Administration in Oil & Gas Management from Robert Gordon University. He is a member of the Society of Petroleum Engineers (SPE), the American Association of Petroleum Geologists (AAPG), the South East Asian Petroleum Exploration Society (SEAPEX), The Petroleum Exploration Society of Australia (PESA) and the Australian Geothermal Association (AGA) and has +25 years' experience in the industry in exploration, appraisal, field development planning, reserves and resources assessment, commercial valuations and business development. Mr King has consented to the inclusion in this announcement of the matters on the information in the form and context in which they originally appear. The estimates of potential oil and gas resources are our genuine opinion and the product of our professional judgment. The estimate is based on, and fairly represents, information and supporting documentation reviewed by Mr King.